



**Commonwealth of Massachusetts  
Health Care Quality and Cost Council  
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**JUDYANN BIGBY, M.D.**  
Chair

**TIMOTHY P. MURRAY**  
Lieutenant Governor

**KATHARINE LONDON**  
Executive Director

**Health Care Quality and Cost Council**

**Meeting Minutes**

**Wednesday December 19, 2007**

**1:15 – 3:00 p.m.**

**One Ashburton Place**

**21st floor, room 1**

**Boston, MA**

**Council Members Present:** JudyAnn Bigby, Charlie Baker, Kevin Beagan, Elizabeth Capstick, James Conway, David Friedman, Joseph Lawler, Thomas Lee, Shannon Linde, Katharine London, Dolores Mitchell, Robert Seifert, Gregory Sullivan.

***Meeting Called to Order at 1:20pm***

**I. Approval of Minutes of Council Meeting December 5, 2007**

Council approved the minutes of its December 5, 2007 meeting with this amendment to item II, bullet 4:

The Council amended the draft outline for the Council's Annual Report to include the report on cost and quality of care in Massachusetts in the body of the report, rather than in the Appendix.

**II. Executive Director's Report**

- Council staff submitted a waiver requesting an exemption from a policy issued by the Commonwealth's IT Division, which requires all state websites to use the Mass.gov URL and format requirements. The waiver request argues that the Council is mandated under state law to develop a consumer-friendly health care cost and quality information website; that the Commonwealth's existing cost and quality website, [www.mass.gov/healthcareqc](http://www.mass.gov/healthcareqc) is not and cannot be made consumer-friendly; and the focus groups convened by the Council's Communications vendor reacted negatively to the mass.gov name, format, and look & feel. The vendor will report on the results from the focus groups at the next Communications & Transparency Committee meeting on January 2, 2008.
- As the Council's requested, staff developed a diagram that displays the workflow among the various vendors that are each contributing to the development of the Council's consumer-friendly health care quality and cost website. Katharine London reviewed each vendor's scope of services and also announced that HCQCC is working with Commissioner Sarah Iselin to see if the *Division of Health Care Finance and Policy* to act as the Council's Operations vendor (to aggregate data and calculate measures, based on the specifications

developed by the Analytic Consultant). Katharine is drafting an Interagency Service Agreement, which would require approval by the Council.

- The Council discussed the relationship between the Communications and the Analytical Consulting vendor and suggested that arrows be included in the diagram to represent the relationship between the two vendors. The Council also requested a timeline for each vendor's work.

### **III. Items for Discussion**

#### **A. Discussion of Process for Issuing the Council's Administrative Bulletins**

- At the December 5, 2007 Council meeting, Gregory Sullivan requested that the Council discuss its process for issuing Administrative Bulletins. Council staff had issued an Administrative Bulletin without approval by Council members due to a time constraint.
- JudyAnn Bigby reviewed the Council's current process for issuing Administrative Bulletins and discussed the importance of using Administrative Bulletins to make administrative, rather than policy changes.
- The Council approved the following motion:

The Health Care Quality and Cost Council authorizes the Executive Director of the Council to issue Administrative Bulletins to clarify the substantive provisions of the Council's regulations, Chapter 129 of the Code of Massachusetts Regulations. All Bulletins shall be circulated to the Council prior to issue. The Executive Director may not issue Administrative Bulletins to revise policy, revise or amend the Council's regulations, or make new policy, without approval by the Council.

#### **B. Budget Update – Beth Capstick, Treasurer**

- Elizabeth Capstick, Treasurer, gave an update on the Council's FY08 spending to date and FY09 budget request. The FY09 budget request reflects the Council's work progress and HCQCC expansion in staff.
- The Council discussed the budget items listed and requested that the Governance Committee review the budget in detail.

#### **C. Update on Claims Data Submissions**

- Suanne Singer from the Maine Health Information Center gave an update on the claims data submission process. Singer reported that health insurance carriers are making

progress with the data submission process. Singer noted individual carriers that are having difficulty adhering to submission requirements.

- The Council discussed whether it needed to develop a more detailed written policy for responding to carriers that are not meeting submission deadlines and recommended that Council staff look into policy and procedures used by Maine and New Hampshire as a template for Massachusetts. The Council planned to revisit this topic in the next Council meeting.

#### **D. Review and Approval of Request for Proposals for Web Development Services**

- Katharine London reviewed the scope of service for the Web Development RFP and noted that it is the Council's most technical RFP to date. Katharine recommended that the Council postpone the vote to approve the RFP so that the Council and staff can spend extra time reviewing the details.
- Council discussed conflict in timeline. The extra time proposed will leave the Council behind schedule in contracting with a vendor. Considering the extra time, the soonest the Web Developer could begin work would be March 1, which means the initial website would probably not be launched till April.
- The Council agreed to postpone vote on the Web Development RFP until the January 2 meeting to give Council members a chance to review the document in detail. Katharine London submitted to the Council a shorter "highlights" version of the RFP for their review. London recommended that members seek assistance and feedback from their IT personnel and report any recommendations and/or edits to Gilles Charest, HCQCC Data Manager by Wednesday, December 26, 2007.
- Katharine said that Council staff are looking for reviewers for the Web Development RFP (Jan 28- Feb 8) and the Analytic Consulting RFP (Jan 14-25). Council members should contact Katharine London if they have a staff person who can assist with these reviews.

#### **E. Discussion of Committee Recommendations on Steps to Achieve the Goals and Required Analysis**

- JudyAnn Bigby reviewed each Committee's responsibility under the statute and gave a brief summary of each committee's charge. Each Committee chair or alternate presented the Committees' draft-in-progress recommendations.
- The Council reviewed the proposed recommendations and gave feedback. The Council discussed the importance of including a cost-benefit analysis with each recommendation and asked that each Committee spend time looking into cost-benefit factors in preparing the final version of the document to be submitted to the legislature early next year.

- Greg Sullivan made a motion have a Council Committee review proposed steps for meeting the Council's Goal I, regarding health care cost control. The Council agreed to establish an Ad Hoc Committee to review the proposed set of recommendations and make recommendations to the Council at its next meeting on January 2, 2008. The Council approved the following motion.

MOTION that the Council refer the following proposed Steps Needed to Achieve Council Goal 1 to the Ad Hoc Committee appointed today by Council Chair JudyAnn Bigby, schedule the proposal for deliberation and vote at the January 2, 2008 Council meeting, and direct the Ad Hoc Committee to provide a recommendation to the full Council at that meeting:

In accordance with the provisions of Sections 16K and 16L of Chapter 6A of the Massachusetts General Laws, the Council adopts the following Steps Needed to Achieve Council Goal I:

Goal 1, Step 1. The Council will develop legislative and regulatory recommendations to control health care costs. The recommendations will be submitted by the Council in accordance with the provisions of Section 16L (m) of Chapter 6A. The Council will contract with independent experts to provide the Council with technical assistance in developing the legislative and regulatory recommendations. In developing the recommendations, the Council shall consider the following options, among others:

- a) institution of rate setting for Massachusetts health care providers;
- b) expansion of the Commonwealth's determination of need program with strengthened enforcement provisions;
- c) review and approval of health care insurance rates and policies by the Division of Insurance through a "fix and establish" or other similar rate-setting process that includes a statutory role for the Attorney General to act on behalf of consumers;
- d) evaluate the impact of various cost-sharing measures including but not limited to circumstances where a patient has a choice of providers or products; and
- e) malpractice reform; payment reform to examine alternatives to a fee for service system; technology assessment and adoption standards; requiring electronic health records and computerized physician order entry; and plan benefit design.

The recommendations shall include an estimate of cost savings, as well as recommendations for implementation and tracking. The recommendations shall be prioritized by the Council, with assistance from the independent experts, by effectiveness and by ease of implementation.

Goal 1, Step 2. The Council will adopt a standard of measurement of total annual Massachusetts health care spending (the "Massachusetts Global Health Cost Indicator") by which the Council will track the rate of increase (or decrease) in health care costs in total and within health care sectors from year to year. The Council will contract with an independent health care organization to provide the council with technical assistance in establishing and computing the Massachusetts Global Health Cost Indicator ("MGHCI"), in accordance with the provisions of Section 16L of Chapter 6A;

Goal 1, Step 3. The Council will contract with independent experts to provide the council with technical assistance in analyzing the causes of increases (or decreases) in health care costs, including but not limited to the effects of (1) utilization trends, (2) concentration of market power (by geographic region and medical service) of providers, (3) concentration of market power of insurers,

(4) avoidable medical errors, (5) administrative costs, (6) payment systems, (7) increasing technology, and (8) pharmaceuticals, on health care costs in the Commonwealth.

Goal 1, Step 4. The Council will contract with independent experts to provide the Council with technical assistance to analyze the impact of cost savings initiatives on the viability of health care institutions and providers, especially those based in the community.

Goal 1, Step 5. The Council will contract with independent experts to provide the Council with technical assistance in preparing an annual report to be presented to the Governor, Secretary of Health and Human Services, Senate President, Speaker, and Chairpersons of the Committees on Ways and Means and Health Care Financing, comparing rates paid by insurers, managed care organizations, self-insured entities, Medicaid, uninsured persons, and other payers to health care providers in the Commonwealth.

Goal 1, Step 6. The Council will request adequate funding to support Steps 1 through 5.

***Meeting Adjourned 3:10***